GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:1731
ANSWERED ON:11.03.2008
GLOBAL RECESSION
Kaushal Shri Raghuvir Singh

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether various global recessions will not have much effect on India, as India's growth story is based on domestic consumption rather than on exports;

(b) if so, the reaction of the Government thereto;

(c) whether the Government has undertaken any State-wise specific studies regarding the demand and supply in various sectors; and

(d) if so, the details thereof?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY(SHRI JAIRAM RAMESH)

(a) & (b): With the global economy getting increasingly integrated, no economy can remain totally insulated from the effect of cyclical fluctuations of output and growth of the world economy and global risk factors. Most projections of the world economy suggest a moderate but not severe slow down in world growth. This will impact the demand for India's exports. However, keeping the dynamics of growth of the Indian economy in view, the economy is likely to remain domestic demand driven in the medium term.

(c): No, Sir. The Government has not undertaken any State-wise specific studies in this context.

(d): Does not arise.